



Wilshire Credit Corporation

Payments
P.O. Box 7195; Pasadena, CA 91109-7195
or P.O. Box 105344; Atlanta, GA 30348-5344

Correspondence
P.O. Box 8517; Portland, OR 97207-8517

Phone
888.502.0100

Fax
503.946.3849

Web Site
www.wcc.ml.com

SETTLEMENT AGREEMENT

Date: August 11, 2009

Loan No:
Borrower:



RE: Notice of Discounted Payoff

Dear Stefanie Navarre
Fax: (886) 698-9830

Wilshire Credit Corporation, the current servicer of the above referenced loan, is pleased to advise you that we have approved a discounted payoff for the above referenced loan ("Loan") in the amount of \$7,000.00. This discount expires on 10/11/2009 ("Expiration Date"). To accept this offer, you must complete the following steps prior to the expiration date.

1. All of the above named Borrower(s) or guarantor(s), if applicable must sign this letter below. Each signature must be notarized. You should be able to obtain a notary at your bank.
2. Your fully signed and notarized copy of this letter must be received by 10/11/2009. You may fax this letter to the fax number referenced above or mail to the mailing address referenced at the end of this letter
3. We must receive the full discounted payoff amount by bank wire transfer, bank check, money order or certified funds on or before 10/11/2009. You must send the funds to the address referenced at the end of this letter.
4. A copy of the signed certified HUD-1 Settlement Statement for the sale of the property must be received by 10/11/2009. You may fax this to the fax number referenced above or mail to the mailing address referenced at the end of this letter. The HUD-1 Settlement Statement must be in accordance with the Estimated HUD-1 Settlement Statement, which indicates a purchase price of \$376,100.00. By signing below, you acknowledge that Wilshire and the holder of your note relied upon this Estimated HUD-1 Settlement Statement to approve the discounted payoff settlement. Any surplus funds shown on the Final HUD-1 Settlement Statement in excess of the amount shown on Estimated HUD-1 Settlement Statement also must be paid directly to Wilshire in accordance with the instruction in item #3 above.
5. The HUD-1 Settlement Statement must identify Borrower(s) as the seller(s) and Michael and Marilyn Williams as the buyer(s).

Please note that all funds held, if any, in the impound account or suspense account that we are holding will be applied toward the deficiency. Unless otherwise previously negotiated and explicitly stated on the HUD-1, any funds in excess of the discounted settlement amount on the HUD-1 Settlement Statement will be paid to Wilshire Credit Corporation and applied toward the deficiency. Under no circumstances shall any funds be disbursed to the Borrower(s).

Upon completion of all requirements by Borrower(s), Wilshire will execute a release and a discharge of the deed of trust/mortgage and, if necessary, will dismiss any pending legal action to collect this obligation. As required by law, Wilshire may issue a 1099C, Forgiveness of Debt, as a result of this Settlement Agreement. Borrower(s) acknowledges that there may be tax implications resulting from debt forgiveness. Borrower(s) should consult with a tax advisor.

Acceptance of this offer will be reported to credit reporting agencies as paid in full for less than full balance.

Borrower(s) and guarantors agree to the following by signing this Settlement Agreement:

As consideration for the discounted payoff, each party signing below, for himself or herself and his or her heirs, personal representatives, successors and assigns, hereby jointly and severally, knowingly and voluntarily, releases, discharges, and covenants not to sue, Wilshire, any owner of the loan, and any of their predecessors, successors and assigns, representatives, agents, affiliates, parents, subsidiaries, officers, employees, directors and shareholders (collectively, the "Released Parties") from any and all claims, demands, liabilities, defenses, setoffs, counterclaims, actions, and causes of actions of whatsoever kind or nature, whether known or unknown, whether legal or equitable, which he or she has, or may assert against any of the Released Parties directly or indirectly, or in any manner connected with any event, circumstance, action or failure to act, of any sort or type, which was related or connected in any manner, directly or indirectly, to the Loan, or any collateral securing the Loan.

If applicable, each party signing below voluntarily waives the provision of California Civil Code Section 1542, and any other provision or statute of like effect, which provides: A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Each signer warrants that he or she has read and understands the aforesaid Section 1542 and he or she has had the opportunity to consult with and be advised by counsel regarding its meaning and effect and he or she voluntarily waives its provisions and any other provision or statute of like effect.

Nothing in this letter shall be construed to prejudice, waive, modify or alter any of the rights or remedies for the owner of the loan to collect the entire amount due and to come due on the loan or to be construed to waive any defense of Wilshire or the owner of the Loan.

Sincerely,

Wilshire Credit Corporation
Loan Workout Department
888.313.7538